

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 4/3/03
Department Name: Clerk, Recorder and Assessor
Department No.: 062
Agenda Date: 6/3/03
Placement: Departmental
Estimate Time: 15
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Joseph E. Holland, County Clerk, Recorder and Assessor

STAFF CONTACT: Bob Smith x2204

SUBJECT: State Reimbursement of Proposition 41 Funds for Vote Tabulation System Upgrades

Recommendation(s):

1. That the Board of Supervisors accepts \$1,000,266.57 from the State for a Proposition 41 reimbursement equal to 75% of the cost the county incurred to upgrade to the Global Election Optical Scan Vote Tabulation system.
2. That the Board of Supervisors authorize the establishment of the Prop. 41 designation and approve the attached Budget Revision placing these monies from the state into this designation.

Alignment with Board Strategic Plan: The recommendation is primarily aligned with actions required by law or routine business necessity.

Executive Summary and Discussion: On March 5, 2002, the voters of the State of California passed Proposition 41, the Voting Modernization Bond Act of 2002, which authorized the issuance of bonds that allowed the state to reimburse counties for 75% of the cost to purchase modern voting equipment. The Act directed the formation of a commission to oversee the distribution of funds and develop criteria for determining the dollar amount each county was authorized to receive. Santa Barbara County was authorized \$2,749,794.06, if matching funds of \$916,595.02 (a 3 to 1 matching funds ratio) were provided by the County. Following the passage of this proposition and our purchase of the optical scan vote tabulation system, the Help America Vote Act (HAVA) was enacted by the Congress. This federal law levied additional requirements on the design of vote tabulation systems. It mandated that all vote tabulation equipment in use after January, 2006 must have the capability for voters with disabilities to vote independently. To meet the HAVA directives, Santa Barbara County will be required to update the current optical scan vote tabulation system with Direct Recording Electronic (DRE) touch screen vote tabulation technology. With the passage of HAVA, the Prop. 41 Commission agreed to distribute the allocated county funds in two phases. Phase I funds were to pay for cost each county incurred to modernize their vote

tabulation systems prior to the passage of HAVA. Phase II funds were designated to provide the counties with reimbursement for the upgrade of their Vote Tabulation System to meet the more restrictive HAVA mandates.

Santa Barbara County paid \$1,333,635.43 for the Optical Scan Vote Tabulation System in 1999. Prop. 41 Phase I guidelines required the county to pay \$333, 408.86 of that amount and the state to provide \$1,000,226.57. The Secretary of State's Elections Division sent a check to our County Registrar of Voters on March 28, 2003 for the state's share. The Secretary of State wants to present a ceremonial depiction of that check to the Registrar of Voters at the Board of Supervisors meeting on a date to be determined.

Under phase II guidelines, the County will receive up to an additional \$1,749,568.06 reimbursement from the state when the DRE touch screen is acquired to comply with HAVA mandates provided the county contributes/ matches 33% of the state contribution or \$583, 186. The Prop. 41 guidelines further stipulate that the county must file the request for these funds and an implementation plan with the Commission by January 2005 to qualify for the phase II funds.

To upgrade to the touch screen system, the county will be required to purchase the touch screen devices, upgrade peripheral support equipment, modify facilities, address logistics requirements and provide additional resources. We anticipate the full implementation cost of Phase II to be approximately \$3,500,000. To meet this projected cost, the \$1,000,266. 57 (\$583,186 of this could be the County match) received from the State for phase I and the \$1,749,568.06 allocated by the state for phase II would be applied against this need. That still leaves approximately \$800K short of the funds needed to fully fund this mandated voting system upgrade.

The Registrar of Voters is currently exploring the options for system upgrades that will meet the federal guidelines. He will report to the Board of Supervisors with his findings and proposals.

Mandates and Service Levels:

No change in programs or service level.

Fiscal and Facilities Impacts:

The county must match the state (1 part County to 3 parts state) in order to qualify for the \$1,749,568 of Prop 41 currently allocated to Santa Barbara County for the mandated voter tabulation system upgrade.

By designating the Phase I reimbursement the County is setting aside funds to provide for this match as well providing a partial source for the remaining \$1.2M needed to fully fund this voter system upgrade by the federally mandated implementation date of 2006. *(NOTE: For the FY 03-04 Budget the department has budgeted the release of \$315K to offset the impact of the State suspending reimbursement for the Absentee Voter program under SB-90. This suspension is temporary and the state says they will pay it back plus interest. When this occurs, it is intended that the SB 90 monies be placed in the Prop 41 Designation.)*

Special Instructions:

Concurrence:

